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THE LLIGENCE AGENCY

CENTRAL INTELLIGENCE BULLETIN

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1 October 1964

CENTRAL INTELLIGENCE BULLETIN

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CENTRAL INTELLIGENCE BULLETIN

1 October 1964

DAILY BRIEF

*South Vietnam: Premier Khanh has resumed the purge of controversial elements in his regime.

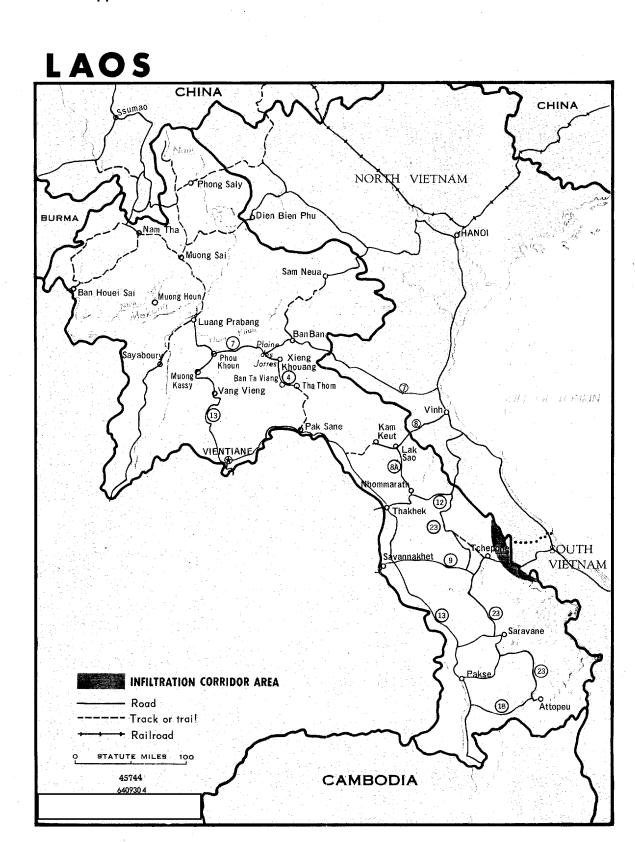
General Khiem, a member of the ruling military triumvirate, will soon leave for what may be a protracted tour of European countries, ostensibly to express Vietnam's gratitude for their aid. Colonel Pham Ngoc Thao, an inveterate coup plotter, is also slated for early departure. He is to be assigned to the Vietnamese Embassy in Washington.

Both of these officers have been reported to be targets of the group of young generals who won a commanding position for themselves in the military establishment by suppressing the 13 September coup attempt.

In another personnel change, Khanh has accepted the long-pending resignation of Deputy Premier General Do Mau, reassigning him to the Defense Ministry.

Yesterday, the young generals issued a communiqué reaffirming their support for Khanh, possibly as their part of a bargain struck with him regarding these and perhaps other personnel changes.

If Khanh can make his moves against Khiem, Thao and others stick, he may have bought enough time to carry out his plan to return the government to predominantly civilian control.



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Laos: Prospects for successful negotiations among the Laotian factions are dimmer than ever.

Premier Souvanna has told the US ambassador he is convinced that the Pathet Lao plan to launch a "major offensive" this month. Souvanna repeatedly emphasized the necessity of doing "everything possible" to interdict Communist supply routes into Laos from North Vietnam. He announced yesterday that he is withdrawing the Laotian ambassador from Hanoi.

The Pathet Lao(also) appear to be losing hope of gaining anything through negotiations. Prince Souphannouvong, protesting continuing rightist military attacks, last week warned that his forces intended to retake lost territory by force if necessary.

Government forces, nevertheless, are still pressing the Communists in northern Laos. Southeast of the Plaine des Jarres, rightist forces are consolidating their hold over the recently captured villages of Tha Thom and Ban Ta Viang. In the hills east of the Plaine, Meo guerrilla units are moving against a number of Communist strongpoints lost to the Pathet Lao earlier this year.

To the west, rightist and neutralist forces are continuing mop-up operations against Pathet Lao forces in the Vang Vieng - Muong Kassy region. In this area several hundred Pathet Lao troops, suffering from shortages of military and food supplies, have gone over to government forces during the past few weeks.

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<u>Cyprus</u>: The Cypriots have announced the signing of an economic and military aid agreement with the USSR.

Greek Cypriot Commerce Minister Araouzos admitted to Western press representatives in Moscow yesterday that an agreement had been signed, but refused to give details. No comment on the terms is as yet available from Soviet officials.

In Cyprus, the question of Turkish troop rotation may soon lead to a new crisis. Although an agreement on this issue seemed to have been reached last week, Makarios has posed new conditions which Turkish officials say are unacceptable. Makarios wants the Turkish troops and armed Turkish Cypriots to withdraw from positions along the Nicosia-Kyrenia road which they have occupied since the fighting began on the island last December.

A Turkish Foreign Ministry official believes that if a solution is not reached by early next week at the latest, Prime Minister Inonu will announce that his government will carry out the rotation within a day or two thereafter. The Turkish armed forces are in a somewhat relaxed alert, but they could probably reach a state of immediate readiness in less than three days.

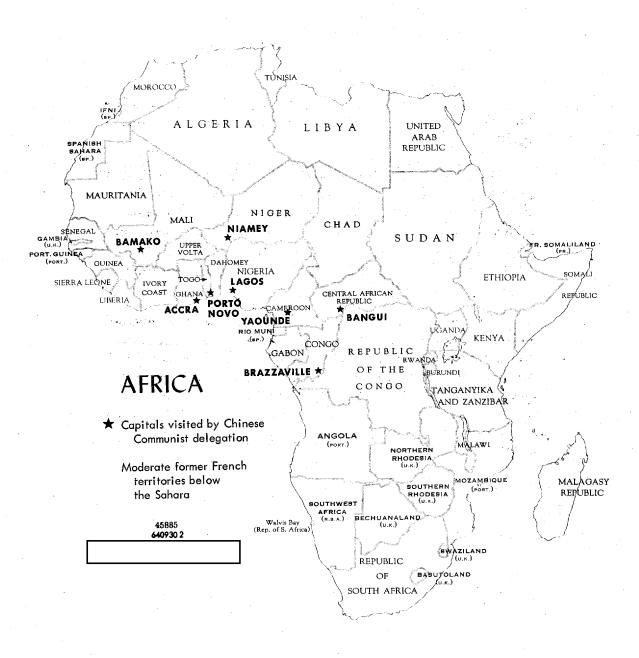
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<u>Libya</u>: The sudden death of the chief of the Libyan security forces may further undermine the stability of the regime.

Although General Bu Quwaitin was generally unpopular, his firm hand has been a major factor in maintaining order in the country. King Idris also frequently relied on him to carry out royal policies. The general's death may encourage antigovernment elements to adopt bolder tactics in opposing Libya's conservative oligarchy.

The public currently is disturbed by repressive government actions in connection with parliamentary elections to be held on 10 October. The regime last week arrested a large number of pro-Egyptian personalities who were potential opposition candidates. Although most of those arrested are now reported to have been released, serious demonstrations are still a possibility.



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French Africa - Communist China: Several of the moderate French-speaking African states which have supported Taipei are moving toward Peiping.

Established leaders in these states are under rising pressure from nationalist and leftist elements critical of their regimes' close ties with France. At the same time, they are increasingly concerned to find new sources of aid to supplement diminishing French assistance. In this situation, Chinese Communist economic inducements have exercised a strong attraction.

The governments of the Central African Republic, Dahomey, and Cameroon recently have engaged a Chinese Communist "good-will" delegation in serious talks aimed at "developing relations." Each now appears to be preparing to recognize Communist China. Recognition is the only condition attached to Peiping's aid offer, according to President Dacko of the Central African Republic.

Almost all the French African moderates have long favored a "two Chinas" policy. Dominant leaders of the three states are reluctant to break with Taipei, but they are unlikely to be able to hold this line very long. Senegal recently severed its diplomatic ties with Nationalist China, possibly in part because of economic offers from Peiping, although Dakar has not yet established relations with Communist China,

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DAILY BRIEF

Belgium-Congo: Belgium appears to be taking greater initiative on internal security matters in that part of the Congo not under rebel control.

Colonel Logiest, Belgium's military coordinator in the Congo, told Ambassador Godley on 29 September that he had assigned experienced Belgian military officers and a group of Congolese commissioned and noncommissioned officers trained in Belgium to one battalion of gendarmerie in Leopoldville. Organization of a similar battalion for Coguilhatville has been started, and twelve in all are planned.

Another plan approved in principle by Belgium would send small teams of Belgians to provide basic administrative services in some towns recaptured from the rebels.

The Belgian Government may now believe that it will receive more domestic support than heretofore for direct Belgian assistance to the Congolese Government. Belgian financial and business leaders with interests in the Congo recently told Spaak they now realize that the rebels' prospects are poor. They conclude, therefore, that they must work with and support the Tshombé government.

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DAILY BRIEF

Ecuador: (The governing military junta is facing a serious resurgence of regionalism in Guayaquil which may threaten political stability)

A propaganda campaign, mounted by the coastal oligarchy against government reforms aimed at centralization of tax collections, has succeeded in arousing traditional regional loyalties of the masses. A demonstration involving about 200 youths was broken up on 28 September by military forces using tear gas. Opposition groups hope to exploit this sentiment by promoting disturbances and even violence on 9 October when Guayaquil celebrates independence day.

The local military authorities appear ready to quell disturbances and a leader of the Concentration of Popular Forces, whose party is probably the strongest in Guayaquil, is siding with the government. However, a government delegation which arrived in Guayaquil on 29 September failed to arrive at a solution, and yesterday the government dismissed the president and councilmen of Guayaquil, putting a Navy captain in charge of the city. This action may exacerbate local feeling against the juntal

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NOTES

NATO-Malta: Prime Minister Giorgio Borg-Olivier has assured NATO that the headquarters of the alliance's Mediterranean command will continue to be accorded the same legal status it enjoyed on Malta before the island became independent on 21 September. In talks with NATO Deputy Secretary General Roberts on 23 September, the Prime Minister evinced genuine interest in ensuring Malta's participation in the alliance on some mutually satisfactory basis. He said he would not want to exclude a possible application for NATO membership by Malta in the course of future negotiations with the alliance?

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